

NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: June 30, 2008

ASSETS

CURRENT ASSETS

101 Cash (Disclose on Schedule A)	\$19,302,980
102 Current Investments	
103 Accounts Receivable (net) (Disclose on Schedule A)	\$1,614,183
104 Notes Receivable (current portion)	\$171,129
105 Prepaid Expenses	\$259,941
106 Other Current Assets (Disclose on Schedule A)	\$4,255
107 Total Current Assets	<u>\$21,352,488</u>

NON-CURRENT ASSETS

108 Land	1,367,209
109 Building	4,513,462
110 Leasehold Improvements	-
111 Furniture and Equipment	2,002,843
112 Vehicles	346,213
113 Total Property and Equipment	<u>\$8,229,727</u>
114 Less: Accumulated Depreciation	2,360,160
115 Net Property and Equipment	<u>\$5,869,567</u>
116 Notes Receivable (net of current portion)	\$0
117 Performance Bond (Disclose on Schedule A)	
118 Long Term Investments	
119 Deposits	
120 Other Noncurrent Assets (Disclose on Schedule A)	35,447
121 Total Noncurrent Assets	<u>\$5,905,014</u>
122 TOTAL ASSETS	<u><u>\$27,257,502</u></u>

LIABILITIES AND NET ASSETS/EQUITY

CURRENT LIABILITIES

201 Incurred But Not Reported Claims (Disclose on Sch. A)	\$680,000
202 Reported But Unpaid Claims	-
203 Payable to ADHS (Disclose on Schedule A)	\$0
204 Other Amounts Payable to Providers	2,079,182
205 Trade Accounts Payable	416,081
206 Accrued Salaries and Benefits	630,193
207 Long-term Debt (current portion)	143,032
208 Deferred Revenue (Disclose on Schedule A)	\$3,959
209 Risk Pool Payable	
210 Other Current Liabilities (Disclose on Schedule A)	\$616,362
211 Total Current Liabilities	<u>\$4,568,809</u>

NON-CURRENT LIABILITIES

212 Long-term debt (net of current portion)	1,841,781
213 Loss Contingencies (Disclosed on Schedule A)	\$0
214 Other Noncurrent Liabilities (Disclose on Schedule A)	\$0
215 Total Noncurrent Liabilities	<u>\$1,841,781</u>
216 TOTAL LIABILITIES	<u>\$6,410,590</u>
217 NET ASSETS/EQUITY	
Unrestricted Net Assets	20,846,912
Restricted Net Assets (Disclose on Schedule A)	\$0

218 TOTAL LIABILITIES AND NET ASSETS/EQUITY	<u><u>\$27,257,502</u></u>
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NARBHA
STATEMENT OF FINANCIAL POSITION
AS OF: June 30, 2008
Schedule A Disclosures

ASSETS:

Cash

	Unrestricted	19,302,980
	Restricted	
Total Cash		<u><u>\$19,302,980</u></u>

Accounts Receivable

ADHS

	Program ID	Category ID	
Current Year			
	NTXIX/XXI Child		0
	NTXIX/XXI Child	Coaching&Training	56,440
	NTXIX/XXI SMI		1,068,599
	NTXIX/XXI SMI	SMI Housing	325,000
	Mental Health		0
	Substance Abuse		3,972
	Prevention Intervention		0
	ADHS DOC	COOL	0
	TXIX Child	MMWIA	12,300
Prior Year			

Non-ADHS &/or Unrelated Business

Current Year		
	Billings to RA's	23,695
	Donation for Winslow Stabilization	70,000
	Miscellaneous receivables	54,177
Prior Year		

Allowance for Doubtful Accounts

Total Accounts Receivable	<u><u>\$1,614,183</u></u>
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Other Current Assets (Detail of Line 106)

	ST. Comp Deposit	\$4,255
Total Other Current Assets		<u><u>\$4,255</u></u>

Other Noncurrent Assets (Detail of Line 120)

	Long-Term portion of note receivable	35,447
Total Other Noncurrent Assets		<u><u>35,447</u></u>

PERFORMANCE BOND:

Met with a surety bond purchased from Fidelity and Deposit Company of Maryland in the amount of \$2,877,670 and an irrevocable letter of credit from Compass Bank in the amount of \$8,320,999

Adjustments:

Payables to ADHS - Other* Category

Disclose items recorded as "Other" in the category for Payable to ADHS Section

Explain ≥10% fluctuation in account from prior period

Decrease in Accounts Receivable due to decrease in ADHS Accounts Receivable
Decrease in Notes Receivable due to payments received
Increase in Prepaid Expenses due to receipt of annual insurance invoice
Increase in Buildings due to in-service of stabilization buildings
Increase in Vehicles due to purchase of new vehicles
Decrease in Construction in Progress due to in-service of stabilization buildings
Increase in IBNR due to increase in claims
Decrease in Payable to ADHS due to payoff of Encounter Withhold
Decrease in Amounts Payable to Providers due to year-end adjustments
Increase in Trade Accounts Payable due to timing differences
Increase in Accrued Salaries due to five more days accrued in June and increase in leave liability
Decrease in Deferred Revenue due to flex funds earned
Increase in Other Current Liabilities due to partial payment of annual insurance invoice and community reinvestment accrual

LIABILITIES:

IBNR Claims Estimate

Current Year	
FY 08	\$680,000
Prior Year(s)	
FY 07	-

Total IBNR

\$680,000

Payable to ADHS (Detail of Line 203)

	Program ID	Category ID	
Current Year			
		Sanctions	\$0
Prior Year			
	NTXIX/XXI SMI	Other*	\$0
	TXIX Child	Withhold	\$0
	TXIX CMDP	Withhold	\$0
	TXIX DD Child	Withhold	\$0
	TXIX SMI	Withhold	\$0
Total Payable to ADHS			<u><u>\$0</u></u>

Deferred Revenue from: (Detail of Line 208)

	Program ID	Category ID	
ADHS			
Current Year			
		COOL	\$0
Prior Year			
	HB2003 Child	Coaching & Training	\$3,959
	NTXIX/XXI Child	Flex funds	-
	Substance Abuse	Flex Funds	-

Non-ADHS &/or Unrelated Business

Current Year	
Other	
Prior Year	

Total Deferred Revenue	<u><u>\$3,959</u></u>
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Other Current Liabilities (Detail of Line 210)

	Payable to BHIP	\$116,362
	Community Reinvestment	500,000
Total Other Current Liabilities		<u><u>\$616,362</u></u>

Loss Contingencies (Detail of Line 213)

	Identify Loss Contingencies	
Total Loss Contingencies		<u><u>\$0</u></u>

Other Noncurrent Liabilities (Detail of Line 214)

	Identify Other Noncurrent Liabilities	
Total Other Noncurrent Liabilities		<u><u>\$0</u></u>

Restricted Net Assets (Detail of Line 217)

	Identify Restricted Net Assets	
Total Restricted Net Assets		<u><u>\$0</u></u>

NARBHA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY
AS OF : June 30, 2008

		Net Assets /	
		Retained	
		Earnings	Total
Beginning Balance:	July 1, 2007	16,479,618	16,479,618
* Net Surplus / Net Earning for the period ended:	June 30, 2008	4,367,294	4,367,294
Dividends Declared			-
** Prior Period Adjustments			-
Ending Balance:	June 30, 2008		-
		\$ -	\$ -
		\$ 20,846,912	\$ 20,846,912

* Net of dividends declared

** Disclosure of Prior Period Adjustments

		TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
REVENUES																								
401	Revenue Under ADHS Contract																							
a	ADHS Revenue	22,733,662	12,679,755	2,171,671	1,633,844	1,367,117	13,405	37,757,595	1,921,082	9,667,846	183,092	34,472	146,022	24,305,458	174,665	320,874	4,393,957	961,162	1,500	181,250	10,043	120,658,472	0	120,658,472
b	ADHS Revenue - Qualifying Incentive Payments																					0	0	0
402	Specialty & Other Grants*	20,500			0												811,000				4,324	835,824	0	835,824
403	Client Fees (Co-pays)																					0	0	0
404	Third Party Recoveries																							
a	Medicare																					0		0
b	Other Insurance																					0		0
405	Interest Income																					0	638,104	638,104
406	Other Funding Sources - Non ADHS*																				0	0	87,716	87,716
407	Unrelated Business Activities*																0	0	0			0	702,054	702,054
408	TOTAL REVENUE	22,754,162	12,679,755	2,171,671	1,633,844	1,367,117	13,405	37,757,595	1,921,082	9,667,846	183,092	34,472	146,022	24,305,458	174,665	320,874	5,204,957	961,162	1,500	181,250	14,367	121,494,296	1,427,874	122,922,170
EXPENSES																								
Service Expenses:																								
501	Treatment Services																							
a	Counseling																							
1	Counseling, Individual	1,315,135	598,009	41,446	66,205	107,625		891,096	30,784	166,425	6,914	1,382	22,177	1,090,410	15,037	17,022	134,929					4,504,596		4,504,596
2	Counseling, Family	837,789	343,213	51,041	33,179	58,232		56,045	8,272		0	0	125	56,958	660	529	8,616					1,460,318		1,460,318
3	Counseling, Group	171,718	74,893	2,315	19,043	9,726		321,942		5,536		236	4,223	831,576	3,475	4,126	382,102					1,889,581		1,889,581
b	Consultation, Assessment & Specialized Testing	1,344,507	293,713	134,425	131,023	83,982		1,106,513	75,145	212,562	11,762	5,668	9,110	1,814,839	21,082	40,106	278,988					5,563,423		5,563,423
c	Other Professional	0	0	246	20,558	0		0	0	4,740	0	0	0	0	0	4,841	19,672					50,057		50,057
d	Total Treatment Services	3,669,149	1,309,828	229,473	270,008	259,575	0	2,375,596	117,123	450,560	18,912	7,149	35,635	3,793,783	40,253	66,623	824,307		0	0	0	13,467,975	0	13,467,975
502	Rehabilitation Services																							
a	Living Skills Training	1,443,541	344,160	131,485	76,077	73,768		1,390,376	76,687	86,399	401	0	1,678	419,103	786	2,743	189,849					4,237,053		4,237,053
b	Cognitive Rehabilitation	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
c	Health Promotion	26,876	7,841	449	4,035	638		209,660	3,877	31,463	0	590	862	333,823	1,539	743	291,270					913,667		913,667
d	Supported Employment Services	6,738	232	0	0	53		270,537	12,283	45,742	0	0	0	23,286	26	228	412					359,537		359,537
	Total Rehabilitation Services	1,477,155	352,233	131,934	80,112	74,459	0	1,870,573	92,847	163,604	401	590	2,541	776,213	2,351	3,713	481,531		0	0	0	5,510,257	0	5,510,257
503	Medical Services																							
a	Medication Services	0	0	0	0	0		210,047	2,771	7,465	24,634	0	2,691	437,729	3,612	420	31,854					721,223		721,223
b	Medical Management	869,748	120,668	91,740	36,914	61,946		1,511,937	91,880	272,266	24,939	2,083	10,385	1,114,704	18,575	22,928	69,372					4,320,086		4,320,086
c	Laboratory, Radiology & Medical Imagin	28,533	2,153	1,667	556	1,648		55,547	2,559	9,566	393	105	565	51,378	655	1,012	4,172					160,509		160,509
d	Electro-Convulsive Therapy	0	0	0	0	0		14,059	0	558	0	0	0	0	0	0	0					14,616		14,616
e	Total Medical Services	898,281	122,821	93,407	37,470	63,594	0	1,791,589	97,210	289,854	49,966	2,188	13,641	1,603,811	22,842	24,361	105,398		0	0	0	5,216,434	0	5,216,434
504	Support Services																							
a	Case Management	5,136,326	2,781,475	553,142	319,758	308,931		7,374,458	354,121	1,081,706	47,901	10,866	37,041	4,115,732	38,066	78,744	521,908					22,760,174		22,760,174
b	Personal Assistance	82,113	9,701	2,410	1,440	103		287,558	10,898	20,296	0	0	0	278,606	0	341	89,008					782,473		782,473
c	Family Support	371,368	203,759	22,843	10,682	17,808		14,552	1,436	0	0	0	0	18,714	0	419	1,763					663,722		663,722
d	Peer Support	4,400	0	0	593	0		631,431	9,919	57,998	0	0	0	206,936	190	229	87,010					998,705		998,705
e	Therapeutic Foster Care Services	705,193	1,827,158	0	22,523	3,101		0	0	0	0	0	0	0	0	0	0					2,557,975		2,557,975
f	Respite Care	890,357	331,191	12,779	11,230	36,043		9,091	0	0	0	0	0	4,333	0	0	0					1,295,024		1,295,024
g	Housing Support	0	0	0	1,957	0		0	0	57,016	0	0	0	0	0	0	4,295					88,365		88,365
h	Interpreter Services	0	0	0	2,866	0		0	122	244	0	0	0	0	0	0	809					4,911		4,911
i	Flex Fund Services	0	0	0	29,776	0		6,112	0	0	0	0	0	0	0	0	7,940					43,828		43,828
j	Transportation	702,396	183,594	55,179	19,870	25,240		1,634,071	33,401	135,490	319	0	1,889	1,424,548	429	6,417	64,437					4,287,280		4,287,280
k	Block Purchase NTXX Consumer Drop In Cente	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0					0		0
l	Total Support Services	7,892,153	5,336,878	646,353	420,695	391,226	0	9,951,160	408,839	1,360,297	48,220	10,866	38,930	6,048,868	38,685	91,253	798,034		0	0	0	33,482,457	0	33,482,457
505	Crisis Intervention Services																							
a	Crisis Intervention - Mobile	78,948	61,515	10,036	12,501	2,247		144,986	2,939	17,437	2,878	0	0	139,408	1,096	16,341	47,218					537,550		537,550
b	Crisis Services	0	0	0	0	0		194	0	0	0	0	0	1,154	0	24	0					1,373		1,373
c	Crisis Phones	59,105	14,776	0	17,539	3,922		68,947	0	15,368	814	99	0	48,275	641	15,467	1,727					246,680		246,680
d	Total Crisis Intervention Services	138,053	76,291	10,036	30,040	6,169	0	214,127	2,939	32,805	3,692	99	0	188,838	1,738	31,832	48,944		0	0	0	785,603	0	785,603
506	Inpatient Services																							
	Hospital																							
1	Psychiatric (Provider Types 02 & 7																							

NARBHA
STATEMENT OF ACTIVITIES
YEAR TO DATE AS OF:

June 30, 2008

*DISCLOSE ON SCHEDULE A

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN & MGMT/GEN	TOTAL
Administrative Expenses:																							
601 Salaries	956,991	516,031	142,693	64,306	57,679	42	1,439,363	88,125	356,871	6,350	1,677	4,686	967,571	6,114	8,837	235,388	64,840	0	34,015	0	4,951,579	0	4,951,579
602 Employee Benefits	270,670	146,829	38,176	18,398	16,331	11	412,670	24,271	102,535	1,801	472	1,325	273,657	1,758	2,486	68,030	17,655	0	9,661	0	1,406,736	0	1,406,736
603 Professional & Outside Services	71,232	37,888	6,803	17,036	4,176	7	115,110	5,905	27,439	538	110	390	74,359	507	625	12,315	2,855	0	1,080	0	378,375	0	378,375
604 Travel	29,936	15,285	4,297	3,218	1,741	2	45,339	2,481	11,221	198	48	198	30,479	189	276	9,748	2,561	0	2,185	0	159,402	0	159,402
605 Occupancy	74,309	39,919	6,794	3,213	4,372	6	120,060	5,956	28,923	568	114	410	77,625	537	656	13,132	3,092	0	1,150	0	380,836	0	380,836
606 Depreciation	61,337	33,896	5,838	4,226	3,661	2	101,070	5,123	24,938	479	96	369	65,453	463	551	11,753	2,596	0	951	0	322,802	0	322,802
607 All Other Operating*	150,889	81,656	16,539	10,702	8,985	935	243,374	13,382	59,456	1,169	244	945	157,572	1,089	1,356	42,827	9,262	0	3,675	701	804,758	0	804,758
608 Subtotal ADHS Administrative Expenses	1,615,364	871,504	221,140	121,099	96,945	1,005	2,476,986	145,243	611,383	11,103	2,761	8,323	1,646,716	10,657	14,787	393,193	102,861	0	52,717	701	8,404,488	0	8,404,488
650 Non ADHS Administrative Expenses*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,076	1,076	164,417	165,493
651 Unrelated Admin. Expense*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	448,031	448,031
652 Subtotal Administrative Expense	1,615,364	871,504	221,140	121,099	96,945	1,005	2,476,986	145,243	611,383	11,103	2,761	8,323	1,646,716	10,657	14,787	393,193	102,861	0	52,717	1,777	8,405,564	612,448	9,018,012
701 Unrelated Business Expenses*															0	0	0				0	595,388	595,388
790 Income Tax Provisions																							
a ADHS Income Tax Provision																						0	0
b Non ADHS Income Tax Provision																						0	0
799 Subtotal Income Tax Provision	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
800 TOTAL EXPENSES	22,190,941	12,256,776	2,285,260	1,617,732	1,382,340	13,403	36,396,621	1,888,992	9,483,701	180,482	33,621	137,993	23,401,176	182,898	329,273	4,302,105	1,011,102	1,500	236,077	15,043	117,347,040	1,207,836	118,554,876
801 INC(DEC) IN NET ASSETS/EQUITY	563,221	422,979	(113,589)	16,112	(15,223)	2	1,360,974	32,090	184,145	2,610	851	8,029	904,282	(8,233)	(8,399)	902,852	(49,940)	0	(54,827)	(676)	4,147,256	220,038	4,367,294

*Disclose on Schedule A

June 30, 2008

	TXIX CHILD	TXIX CMDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXXI CHILD	HB2003 CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXXI ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL	
DISCLOSURE OF OTHER ADHS REVENUE																								
Itemization of Items Reported In Other Column																								
Paper Reduction Initiative																								
																					10,043	\$10,043		\$10,043
Total Other - Other Column																								
																					\$10,043	\$10,043		\$10,043
DISCLOSURE OF OTHER GRANTS REPORTED ON LINE 402																								
Itemization of Items Reported on Line 402																								
DES/RSA Grant																								
Meet Me Where I Am Campaign Workshops																								
Rural Detox for Stabilization Projects																								
Total Other Grants																								
DISCLOSURE OF OTHER REVENUE REPORTED ON LINE 406																								
Itemization of Items Reported on Line 406																								
Sanction fees Assessed SAA																								
Greater Ariz Telemed Consortium																								
Miscellaneous																								
Total Other Revenue																								
UNRELATED BUSINESS ACTIVITIES REPORTED ON LINE 407																								
Itemization of Items Reported on Line 407																								
Provider Support																								
Donations for the Stabilization Projects																								
Total Unrelated Business Activities																								
DISCLOSURE OF ALL OTHER BEHAVIORAL HEALTH SERVICES ON LINE 511																								
SMI Homeless																								
Substance Abuse - Rural Detox (Page and Flagstaff)																								
PASRR																								
Children HB 2003 Training and Coaching																								
Suicide Prevention																								
CMHS/CA-SIG																								
COOL Liaison																								
Paper Reduction Initiative																								
Meet Me Where I Am Workshops																								
SMI Housing																								
Video-conferencing svcs allocated to programs																								
Total All Other Behavioral Health Services																								
DISCLOSURE OF SERVICES EXPENSES FROM NON ADHS SOURCES ON LINE 520																								
Itemization of Items Reported on Line 520																								
DES/RSA Grants																								
Total Service Expenses Non-ADHS Sources																								
DISCLOSURE OF ALL OTHER OPERATING ON LINE 607																								
Itemization of Items Reported on Line 607																								
Supplies, computer/tele-med maint., printing																								
phone, recruiting, insurance, surety bond, etc																								
Sanctions assessed by ADHS																								
Expenses for Paper Reduction Initiative																								
Qualifying Incentive Payments Passed to Providers																								
Total All Other Operating																								
DISCLOSURE OF NON-ADHS ADMINISTRATIVE EXPENSES ON LINE 650																								
Itemization of Items Reported on Line 650																								
Interest																								
Excise Tax on Pension Plan																								
Other Telemed expenses																								
DES/RSA Grants																								
Total Non-ADHS Admin. Expense																								
DISCLOSURE OF UNRELATED ADMINISTRATIVE EXPENSES ON LINE 651																								
Itemization of Items Reported on Line 651																								
Provider Support																								
Total Unrelated Administrative Expenses																								
DISCLOSURE OF UNRELATED BUSINESS EXPENSES LINE 701																								
Itemization of Items Reported on Line 701																								
Substance Abuse - Rural Detox/Stabilization (Holbrook & Winslow)																								
Community Reinvestment Program (4)																								
Total Unrelated Business Expenses																								

**NARBHA
STATEMENT OF ACTIVITIES
YEAR TO DATE AS OF:
Schedule A Disclosure**

June 30, 2008

	TXIX CHILD	TXIX CNDP	TXIX DD CHILD	NTXIX/XXI CHILD	TXIX DD CHILD	TXIX SMI	TXIX DD ADULT	NTXIX/XXI SMI	HIFA II SMI	TXIX ADULT	SSDI - TMC	TXIX GMHSA	HIFA II GMH	MENTAL HEALTH	SUBSTANCE ABUSE	PREVENTION INTERVENTION	PASRR	ADHS DOC	OTHER	SUB TOTAL	PROGRAM ADMIN/MGMT/ GEN	TOTAL
ADJUSTMENTS (Disclose and describe any adjustments to previously submitted financial statements including those that affect the current financial statements)																						
Disclosures: 1. Line 402 under Substance Abuse - the \$811,000 refers to the Rural Detox monies used for infrastructure (buildings for the Stabilization Projects in Holbrook and Winslow) that had been billed to ADHS on CERs. 2. The expenses of \$95,388 for equipment and furnishings are being recorded on line 701 Unrelated Business Expense as the source of funds are from the donations for the Winslow site and NARBHA funds for the Holbrook site. 3. Total sanction for 2004 data validation was \$62,539.79 of which \$59,442.64 was billed out to the Responsible Agencies. 4. The NARBHA Board has approved appropriating FY08 funds for projects in northern Arizona to enhance the lives of consumers and/or the programs of providers and/or the services delivered to consumers.																						
Analysis: (Compare prior quarter activity to current quarter activity for each column [program] and each row major category of service.)																						

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

June 30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:

Changes in Net Assets	4,367,294
Adjustments to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	369,701
Changes in Operating Assets and Liabilities	
(Increases)/Decreases in Assets:	
Current Investments	
Receivables	2,173,856
Inventory & Prepaid Expenses	(31,552)
Interest Receivable	
Deposits	-
Other	-
Increases/(Decreases) in Liabilities:	
IBNR	241,000
RBUC	
Accounts Payable to ADHS	(1,567,868)
Accounts Payable to Providers	(34,304)
Interest Payable	-
Trade Accounts Payable	18,838
Accrued Salaries & Benefits	122,957
Unearned Revenue	(114,054)
Other Current Liabilities	414,885

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<hr/> 5,960,753
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CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sale of Property & Equipment	(3,270)
Purchases of Property & Equipment	(1,687,626)
Proceeds from Sales of Investments	-
Purchase of Investments	-

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<hr/> (1,690,896)
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CASH FLOWS FROM FINANCING ACTIVITIES:

Acquisition of Debt (Describe on Schedule A)	29,824
Payment of Lease Obligations	(11,255)
Payment of Other Debts (Describe on Schedule A)	(130,121)

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<hr/> (111,552)
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NET INCREASE/(DECREASE) IN CASH	4,158,305
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BEGINNING CASH	<hr/> \$15,144,675
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ENDING CASH BALANCE *	<hr/> <hr/> 19,302,980
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***NOTE: ENDING CASH BALANCE MUST AGREE WITH TOTAL CASH BALANCE ON BALANCE SHEET**

NARBHA**STATEMENT OF CASH FLOWS****YEAR TO DATE FOR PERIOD ENDED:**

June 30, 2008

Schedule A Disclosure**Describe:**

1. Sources and amounts of cash received for other grants.

DES/RSA Grant	\$	3,924
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2. Underlying transactions for acquisition of debt.

(Debtor, amount, purpose of loan, term, interest rate of debt acquired during the quarter.)

Obtained two copiers under capital leases	\$	29,824
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3. Underlying transactions for retirement of debt.

(Debtor, amount paid off.)

4. Cash Flows From Financing Activities - Payment of Other Debt

Xerox - payments of leases	\$	10,005
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Compass Bank - payment of mortgage	\$	119,277
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5. Supplemental data or non-cash investing and financing activities, gifts, etc.

6. Detail of Depreciation:

Depreciation expense	336,347
Gain on the Sale of Property	<u>(439)</u>
Net	<u><u>335,908</u></u>

Since the Gain is an "adjustment to Reconcile Excess of Revenue Over/(Under) Expenses to Net Cash Provided (Used) by Operating Activities" it is netted with Depreciation since a line cannot be added to the Statement of Cash Flows.